



PRESS RELEASE

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TUCSON DOCTOR SENTENCED TO TWO YEARS PROBATION

TUCSON, Ariz. - The U.S. Attorney's Office for the District of Arizona announced today that Jeri B. Hassman, M.D., DOB 9/26/56, of Tucson, Ariz., was sentenced today on four counts Accessory After the Fact (to other individuals's unlawful acquisition of controlled substances by misrepresentation and deception) in violation of Title 18 U.S. Code Section 3.

On August 16, 2004, U.S. District Judge David C. Bury sentenced Jeri B. Hassman to two years supervised probation and imposed a \$400 special assessment. As conditions of her probation, Hassman was ordered to perform 100 hours of community service, 50 hours in a substance abuse treatment center and 50 hours treating indigent patients. She was also ordered not to participate in the government's Tricare medical insurance program.

U.S. Attorney Paul K. Charlton stated that "physicians have an obligation to prescribe controlled substances only in appropriate circumstances. The entire community suffers when defendants such as Hassman assist individuals who divert or abuse controlled substances leaving untreated addicts who may harm themselves and others due to their addiction. The criminal

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conduct of the defendant further impugned the integrity and reputation of the overwhelming majority of the medical community which seeks to treat patients for a legitimate medical purpose.”

On January 29, 2004, the defendant entered guilty pleas before U.S. District Judge Bury, admitting that on four occasions, April 23, July 28 and August 3, 2001 and March 12, 2002, she assisted four individuals, both patients and non-patients, in order to hinder or prevent the apprehension, trial or punishment of those individuals, knowing the four individuals had committed an offense against the U.S. by unlawfully acquiring and obtaining a Schedule II Controlled substances by misrepresentation or deception. The controlled substances obtained were OxyContin and Methadone, Schedule II Controlled Substances. A trial date had been set for February 18, 2004 at which time the defendant pleaded guilty to the four count information.

During the earlier guilty plea hearing, the defendant admitted in Count I of the Information that she learned that a prescription written for one patient was taken to be filled by another patient. That prescription was never provided to the patient for whom the prescription was written but instead, was taken to an unknown male. Despite learning this information, the defendant continued to treat both patients and failed to report the illegal act of the possession of the controlled substance by the unknown male. In Count II, the defendant admitted that she learned that a patient who had received a prescription for Dexedrine had also unlawfully received a prescription for OxyContin for his deceased father. Despite learning this information, the defendant knowingly failed to rescind the prescription for Dexedrine and failed to report the patient's illegal act to any law enforcement authority.

The defendant admitted in Count III that during an initial office visit she learned that a patient had taken possession of her deceased husband's prescription for OxyContin and ingested the controlled substance. Despite learning this information, Hassman knowingly accepted the

patient, treated her and failed to report the patient's illegal act to any law enforcement agency. In Count IV, Hassman admitted that a patient told her that another person had stolen his OxyContin prescription. Later, another patient also told the defendant that the same person had taken half of her prescription for Methadone. Despite learning this information from the two patients, Hassman knowingly failed to report the person's illegal act to any law enforcement authority.

On November 1, 2002, DEA revoked Hassman's registration to handle Schedule II, III, IV and V Controlled Substances. As part of her plea agreement, Hassman agreed not to reapply for registration to handle controlled substances for at least one year from the date she physically surrendered her registration certificate to DEA. The defendant also agreed not to participate in the government's Tricare medical insurance program.

On March 25, 2003, a grand jury in the District of Arizona returned an indictment, later superseded, charging the defendant with multiple counts related to controlled substances and false statements relating to health care matters. The charges stemmed from the defendant's care of 15 patients named in the indictment, who were treated by defendant between 1999 and 2001. Of these 15 patients, the treatment with pain medications of twelve patients were at issue in the 320 controlled substance violation counts. The other three patients were the focus of health care fraud charges for billing Tricare with falsified levels of reported patient pain during treatment sessions in order to justify insurance coverage for treatment and coding the patients's chiropractic services as physical therapy services. Because each prescription and insurance billing had to be charged separately, sufficient counts as to each patient were charged to establish a pattern for that patient demonstrating there was no medical purpose for the prescriptions or that the billing was false.

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Hassman had faced statutory maximum penalties of up to eight years in prison, a \$500,000 fine or both.

This prosecution is the result of an investigation by several federal law enforcement agencies, including DEA, FBI, and the Department of Defense's Criminal Investigative Service. The prosecution is being handled by the U.S. Attorney's Office in Tucson, Ariz.

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